



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF

SR-6J

December 6, 2016

By Electronic and Certified Mail
Return Receipt Requested

Liberty Mutual Insurance Company
175 Berkeley Street
Boston, MA 02116

Re: Gold Fields Mining LLC EPA Surety's Payment Bond Number: 022049824
Old American Zinc Plant Superfund Site
Fairmont City, St. Clair County, Illinois;
Notice of U.S. EPA Work Takeover

Dear Sir or Madam:

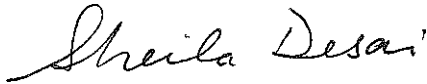
The purpose of this letter is to inform Liberty Mutual Insurance Company, the Surety of the above-described payment bond (Liberty Mutual), that the United States Environmental Protection Agency (EPA or the Agency) 1) has commenced a Work Takeover of all of the Remedial Design (RD) work at the Old American Zinc Plant Superfund Site (OAZ or the Site) from Blue Tee Corp. (Blue Tee), pursuant to Section XX, Paragraph 94 of the Administrative Settlement Agreement and Order on Consent for the RD, CERCLA Docket No. V-W-14-C-011 (the AOC) for the Site¹; 2) expects to request the Surety bond², Account Number: 022049824, issued on September 25, 2014 in the Total Dollar Amount of \$300,000 to be paid to EPA in full in order for EPA to perform the Work during the period of such Work Takeover in accordance with the terms of the Liberty Mutual Surety bond; and 3) directs the Surety to otherwise comply with Section 3 of the Payment Bond agreement.

¹ A copy of the December 6, 2016 Notice of Work Takeover provided to Blue Tee and Gold Fields Mining, LLC is attached for your convenience.

² A copy of the September 25, 2014 Surety bond for the OAZ site is attached for your convenience. The Principal of the Surety bond is Gold Fields Mining, LLC on behalf of Blue Tee.

If you have any questions regarding this Notification of EPA Commencement of Work Takeover for the OAZ Site, please do not hesitate to contact me at (312) 353-4150 or Associate Regional Counsel, Tom Turner at (312) 886-6613.

Sincerely yours,



Sheila Desai
Remedial Project Manager
Superfund Division

cc: Kevin Holewinski, Esq.
Jones Day
51 Louisiana Ave., N.W.
Washington, DC 20001-2113

GSA
c/o: Daniel Pinkston, Esq.
U.S. Department of Justice
ENRD/EDS
999 18th Street
Denver, CO 80202

Gold Fields Mining, LLC
Attn: Walter L. Hawkins, Sr. Vice President - Finance
701 Market Street, Suite 750
St. Louis, MO 63101

Terrance G. Faye, Esq.
1 North Maple Avenue
Greensburg, PA 15601

Brandon Robers, Esq., U.S. DOJ (*email only*)

Tom Turner, Esq., U.S. EPA, ORC, Region 5 (*email only*)

Michael Haggitt, Illinois EPA (*email only*)

Lawrence Schmitt, U.S. EPA, SFD, Region 5 (*email only*)

Ms. Jennifer Mumper, Gold Fields Mining, LLC (*email only*)

Kathleen M. Whitby, Spencer/Fane (*email only*)

John Watson, Baker & McKenzie LLP (*email only*)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION ●F

SR-6J

December 6, 2016

By Electronic and Certified Mail
Return Receipt Requested

Blue Tee Corp.
c/o: Ms. Jennifer Mumper
Manager – Environmental
Gold Fields Mining, LLC
Peabody Energy – Peabody Plaza
701 Market Street
St. Louis, MO 63101-1826

John Watson
Baker & McKenzie LLP
300 East Randolph Street, Suite 5000
Chicago, IL 60601
(for Gold Fields Mining, LLC)

Terrance G. Faye, Esq.
1 North Maple Avenue
Greensburg, PA 15601
(for Blue Tee Corp.)

Kathleen M. Whitby
Spencer/Fane
1 North Brentwood Blvd Suite 1000
St. Louis, MO 63105-3937
(for Blue Tee Corp.)

Gold Fields Mining, LLC
Attn: Walter L. Hawkins
Sr. Vice President - Finance
701 Market Street, Suite 750
St. Louis, MO 63101

Re: Old American Zinc Plant Superfund Site
Fairmont City, St. Clair County, Illinois;
Notice of U.S. EPA Work Takeover

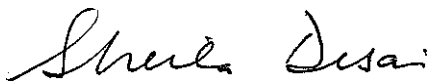
Dear Sir or Madam:

Please be advised that the U.S. Environmental Protection Agency (EPA or the Agency) is taking over the Remedial Design (RD) work from Blue Tee Corp. (Blue Tee) with regard to the Old American Zinc Plant Superfund Site in Fairmont City, Illinois (OAZ or the Site). EPA's Work Takeover is being implemented pursuant to Section XX, Paragraph 94 of the 2014 Administrative Settlement Agreement and Order on Consent for the RD, CERCLA Docket No. V-W-14-C-011 (the AOC) for the Site.

Blue Tee has failed to submit to the Agency a Final Remedial Design which addresses the Agency's comments and has ceased implementing the RD Work at OAZ. EPA notes the November 3, 2016 email letter of Counsel John W. Watson to U.S. Department of Justice Trial Attorney Brandon Robers. Therefore, EPA has determined that Blue Tee is deficient and late in its performance of Work under the AOC, and EPA must assume the performance of all of the RD Work at the Site.

If you have any questions concerning this matter, or would like to discuss EPA's decision to take over the RD work under the AOC, please contact me at 312-353-4150 or your legal counsel may contact Associate Regional Counsel, Tom Turner at 312-886-6613.

Sincerely yours,



Sheila Desai
Remedial Project Manager
Superfund Division

cc: Mr. Gary Uphoff
Environmental Management Services Co.
5934 Nicklaus Drive
Fort Collins, CO 80528

Kevin Holewinski, Esq.
Jones Day
51 Louisiana Ave., N.W.
Washington, DC 20001-2113

GSA
c/o: Daniel Pinkston, Esq.
U.S. Department of Justice
ENRD/EDS
999 18th Street
Denver, CO 80202

Brandon Robers, Esq., U.S. DOJ (*email only*)

Tom Turner, Esq., U.S. EPA, ORC, Region 5 (*email only*)

Michael Haggitt, Illinois EPA (*email only*)

Rachel Grand, CH2M (*email only*)

Lawrence Schmitt, U.S. EPA, SFD, Region 5 (*email only*)

GOLD FIELDS MINING, LLC

701 Market Street
St. Louis, Missouri 63101-1826
314.342.7613

December 8, 2014

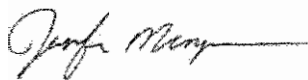
Mr. Justin Abrams, MBA, Accountant
USEPA Region 5
RMD/CB/PAAS
77 West Jackson Blvd.
Mail Code: MF-10J
Chicago, IL 60604

RE: OAZ Plant Superfund Site, Fairmont City, IL - Financial Assurance Documentation for August 2014 AOC for RD (No. V-W-14.C-011)

Dear Mr. Abrams:

I am providing you with the final original signed version of the Financial Assurance documentation for the OAZ Plant Superfund Site in Fairmont City, IL (CERCLA Docket No. V-W-14.C-011). Please contact me at 314.588.3025 with any questions or concerns.

Sincerely,



Jennifer Mumper
Environmental Specialist

Enclosure (1) - OAZ Plant Superfund Site, Fairmont City, IL - Original Signed Financial Assurance Documentation

cc: Tom Turner, U.S. EPA (electronic copy only)
Shelia Desai, U.S. EPA (electronic copy only)

PAYMENT BOND

Surety's Payment Bond Number: 022049824
Date of Execution of Payment Bond: September 25, 2014
Effective Date of Payment Bond: September 25, 2014
Total Dollar Amount of Payment Bond: \$300,000.00

Principal:

Legal Name and Address: Gold Fields Mining, LLC
701 Market Street, Suite 750
St. Louis, MO 63101
Type of Organization: Limited Liability Company
[insert "individual," "partnership," "limited liability company," "corporation," etc.]
State of Organization: Delaware

Surety:

Legal Name and Address: Liberty Mutual Insurance Company
175 Berkeley Street
Boston, MA 02116
Type of Organization: Corporation
[insert "individual," "partnership," "limited liability company," "corporation," etc.]
State of Organization: Massachusetts

Beneficiary:

Legal Name and Address: EPA Regional Administrator or Regional Superfund
Director for EPA Region V (or any of their designees)
77 W. Jackson Blvd.
Chicago, IL 60604

Site Information:

Name and Location of Site: Old American Zinc Plant Superfund Site
N. 45th Street and Maryland Avenue
Fairmont City, St. Clair County, IL
EPA Identification Number: CERCLA Docket No. V-W-14.C-011
Agreement Governing Site Work: That certain RD Administrative Order on Consent
and Settlement dated August 1, 2014, by and among the
United States of America, General Services Administration
and Blue Tee(the "Agreement")

KNOW ALL PERSONS BY THESE PRESENTS, THAT:

WHEREAS, said Principal is required, under the above-described Agreement entered pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), to perform the "Work" as defined in such Agreement (hereinafter, the "Work") and to fulfill its other obligations as set forth therein; and

WHEREAS, said Principal is required by the Agreement to provide financial assurance securing its full and final completion of the Work.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Principal and Surety hereto are firmly bound to the United States Environmental Protection Agency (hereinafter, "EPA"), in the above Total Dollar Amount, for the payment of which we, the Principal and Surety, bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, subject to and in accordance with the terms and conditions hereof.
2. The conditions of the Surety's obligation hereunder are such that if the Principal shall promptly, faithfully, fully, and finally complete the Work in accordance with the terms of the Agreement, the Surety's obligation hereunder shall be null and void; otherwise it is to remain in full force and effect.
3. The Surety shall become liable on the obligation evidenced hereby only upon the commencement of any Work Takeover (as such term is defined in the Agreement) pursuant to and in accordance with the terms of the Agreement. At any time and from time to time upon notification by the EPA Regional Administrator or Regional Superfund Director for EPA Region VII (or any of their designees) that a Work Takeover has commenced, the Surety shall promptly (and in any event within fifteen (15) days after receiving such notification) pay funds up to the Total Dollar Amount in such amounts and to such person(s), account(s), or otherwise as the EPA Regional Administrator or Regional Superfund Direction (or their designee) may direct. If the Surety does not render such payment within the specified 15-day period, the Surety shall be deemed to be in default of this Payment Bond and EPA shall be entitled to enforce any remedy available to it at law, in equity, or otherwise.
4. The liability of the Surety shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the Total Dollar Amount of this Payment Bond, but in no event shall the aggregate obligation of the Surety hereunder exceed the amount of said sum.
5. The Surety may cancel this Payment Bond only by sending notice of cancellation

to the Principal and to the EPA Regional Administrator for EPA Region VII, provided, however, that no such cancellation shall be effective during the 120-day period beginning on the date of receipt of the notice of cancellation by both the Principal and the EPA Regional Administrator. If after ninety (90) days of such 120-day period, the Principal has not established a replacement financial assurance mechanism pursuant to and in accordance with the terms of the Agreement, EPA shall have the right to draw upon the full amount of this Payment Bond.

6. The Principal may terminate this Payment Bond only by sending written notice of termination to the Surety and to the EPA Regional Administrator for EPA Region VII, provided, however, that no such termination shall become effective unless and until the Surety receives written authorization for termination of this Payment Bond by the EPA Regional Administrator (or his or her designee).

7. Any modification, revision, or amendment which may be made in the terms of the Agreement or in the Work to be done thereunder, or any extension of the Agreement, or other forbearance on the part of either the Principal or EPA to the other, shall not in any way release the Principal and the Surety, or either of them, or their heirs, executors, administrators, successors or assigns from liability hereunder. The Surety hereby expressly waives notice of any change, revision, or amendment to the Agreement or to any related obligations between the Principal and EPA.

8. The Surety will immediately notify EPA of any of the following events: (a) the filing by the Surety of a petition seeking to take advantage of any laws relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts; (b) the Surety's consent to (or failure to contest in a timely manner) any petition filed against it in an involuntary case under such bankruptcy or other laws; (c) the Surety's application for (or consent to or failure to contest in a timely manner) the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator, or the like of itself or of all or a substantial part of its assets; (d) the Surety's making a general assignment for the benefit of creditors; or (e) the Surety's taking any corporate action for the purpose of effecting any of the foregoing.

9. Any provision in this Payment Bond that conflicts with CERCLA or any other applicable statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or legal requirement shall be deemed incorporated herein.

10. All notices, consents, approvals and requests required or permitted hereunder shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery, to the address shown on this first page of this Payment Bond.

All notices, elections, requests and demands under this Payment Bond shall be effective and deemed received upon the earliest of (a) the actual receipt of the same by personal delivery

or otherwise, (b) one (1) business day after being deposited with a nationally recognized overnight courier service as required above, or (c) three (3) business days after being deposited in the United States mail as required above. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given as herein required shall be deemed to be receipt of the notice, election, request, or demand sent.

11. The Surety hereby agrees that the obligations of the Surety under this Payment Bond shall be in no way impaired or affected by any winding up, insolvency, bankruptcy or reorganization of the Principal or by any other arrangement or rearrangement of the Principal for the benefit of creditors.

12. No right of action shall accrue on this Payment Bond to or for the use of any person other than EPA or the executors, administrators, successors or assigns of EPA.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Principal and Surety have executed this Payment Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby represent, warrant, and certify that they are authorized to execute this Payment Bond on behalf of the Principal and Surety, respectively.

PRINCIPAL:

Gold Fields Mining, LLC

a limited liability company organized and in good standing in the State of Delaware

Attest: 

Name: Linda S. Crist

By: 

Name: WALTER L. JENKINS

Title: SR. VICE PRESIDENT - FINANCE

NO CORPORATE SEAL

SURETY:

Liberty Mutual Casualty Company

a corporation organized and in good standing in the State of Massachusetts.

Attest: 

Name: Ryne J. Somers

By: 

Name: Jeannette M. Davis

Title: Attorney v-in-Fact

CORPORATE ACKNOWLEDGMENTS

STATE OF Missouri
City St. Louis SS:
COUNTY OF St. Louis

On September 26, 20 14, before me, the undersigned, a Notary Public in and for said State, personally appeared Walter S. Hawkins personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



JUDY L. MASON
My Commission Expires
January 12, 2018
Jefferson County
Commission #13405410

Judy L. Mason
Notary Public

STATE OF _____)
SS:
COUNTY OF _____)

On _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

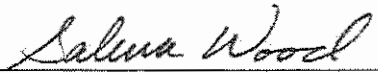
Notary Public

ACKNOWLEDGEMENT BY SURETY

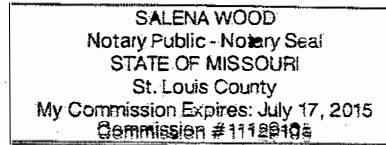
STATE OF MISSOURI
COUNTY OF ST. LOUIS

On this 25th day of September, 2014, before me, Salena Wood, a Notary Public, within and for said County and State, personally appeared Jeannette M. Davis to me personally known to be the Attorney-in-Fact of and for Liberty Mutual Insurance Company and acknowledged that she executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.



Notary Public in the State of Missouri
County of St. Louis



THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 6515117

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint Catherine L. Geimer, Christina Baratti, Eric D. Sauer, Jeannette M. Davis, Robert A. Miller, Salena Wood, Susan R. Schwartz, Thomas U. Kripperle

all of the city of Saint Louis state of MO each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and in its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper person.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 3rd day of April 2014



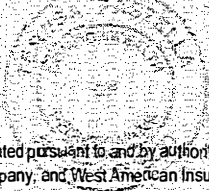
American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 3rd day of April 2014, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the By-laws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Companies this 25th day of September 2014



By: Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.